



2020 ANNUAL REPORT

#ConaproleSpirit



Contents

	Letter from the President		3
	Letter from the CEO		4
	COVID-19 Response		5
	We are Conaprole		7
	• Our Company	8	8
	• Mission, Vision & Values		9
	• Our History		10
	• Feeding the World		11
	• Our Products		14
	• 2019/2020 Achievements		15
	• Economic & Financial Indicators		18
	• Conahorro (Conaprole Savings)	17	24
	• Corporate Governance		25
	• Ethics & Compliance		26
	• Management Strategies		28
	• Stakeholders		29
	• Materiality & SDGs		29
	• Partners & Alliances		
	• Awards & Recognition		
	We are Farmers		30
	• Production & Financial Support		32
	• Social Support		34
	• Environmental Support		35
	We are Nutrition and Health		37
	• Health & Safe Products		38
	• Innovation & New Product Development		39
	• Nutrition & Healthy Lifestyle Promotion		41
	We are Environment		43
	• Water Management		44
	• Energy & Emissions		46
	• Waste Management		49
	• Packaging Materials		51
	We are People		52
	• Diversity & Inclusion		53
	• Training		54
	• Occupational Health & Safety		55
	• Benefits & Work-Life Balance		57
	• Social Programmes for Community Development	57	
	GRI Index Table		60



Letter from the President
Mr. Álvaro Ambrois

COVID-19

A world changing event

2020 shall be remembered as the year that changed the world. The entire planet has been forced to adapt to the unforeseen accelerated changes that were already a necessity for humankind. Even though the pandemic has led us into worldwide recession, it has also forced us to take a long hard look at the impact of human activity on the environment. This event also made us change the way we work into a more efficient and sustainable manner.

Despite the economic and social consequences brought about by the pandemic, we must not lose sight of how it will influence future global development, especially in regard to technological advancements.

This “new normal” has consolidated and accelerated e-commerce and remote working by means of digital platforms. Social distancing has reflected the virtues of this new modality of work that has erased all borders and time constraints. On the other hand, new challenges have arisen in regard to training and management of staff.

This new awareness brought upon us by the pandemic has also showed us our strengths and how to contribute more to society as a whole. This has been reflected in all the donation campaigns carried out by our farmers and collaborators at the Cooperative, and the volunteering that has taken place since the initial outbreak. It is also worth mentioning how the “new normal” has contributed to strengthening the bond between all the people who form part of the Conaprole family.

It stands out that this pandemic reinforced the concept of alignment toward the greater good for everyone without ever losing sight of our long-term plans for the future. The companies that adapted swiftly toward further sustainable development, thus bringing about innovative solutions and technologies, were the ones who made it through 2020 successfully.

Our tireless teamwork combined with our future vision is what has allowed us to remain dynamic in uncertain times, thus guaranteeing the continuous supply of the quality products that bear our name, for Uruguay and for the world.

Successful organisations are those who can foresee and adapt to change, but who also see new opportunities beyond circumstances. This was one of our keys to success in these trying times for the world.

Our world will continue to change at a fast-paced rate after COVID-19. Needless to say, we also strongly believe that Conaprole and our farmers possess all the necessary tools to face and stay at the forefront of the industry throughout all the upcoming challenges. We shall continue forward with the same conviction and passion that makes us who we are.

Álvaro Ambrois
President

Successful organisations are those who can foresee and adapt to change, but who also see new opportunities beyond circumstances. This was one of our keys to success in these trying times for the world.



Letter from de CEO
Mr. Gabriel Valdés


Our Achievements

Our mission statement is to optimise our farmers' milk price, offering the best possible return on their investment for every litre dispatched by producing top quality products for our customers around the world, always bearing in mind a strong productive and sustainable supply chain.

The Covid-19 setting

We ended our financial year conditioned by an unprecedented event in the world, of unforeseen magnitude and far reaching consequences, that has challenged all of us in every possible way, from our families' health to the full extent of our operation.

Even in the face of adversity, thanks to our farmers' continuous and ongoing improvements we reached a new record of 1,432 million litres of milk dispatched, which reflects a 2.5% growth and accounts for 71% of national milk production.

1,432 
MM litres of milk
dispatched

USD 0.303 per litre

Average Price
(\$11.97 per litre, 17% increase versus the
previous year)

USD 479 MM 
Foreign Market

Nº 1 Exporter in Uruguay

Export to more than 50 countries, milk powder
approximately 77% approx.. of revenue.

USD 263 MM 
Domestic Market

5% less versus the previous year and 3%
more if measured in equivalent litres of
milk

Main management drivers

- **Farmers:** For the milk received USD 434 million was paid out to our farmers. An amount of USD 367 million corresponding to milk price and USD 67 million to farmer member premium. The average milk price stood at \$ 11.97 per litre (USD 0.303 per litre), representing a 17% growth versus the previous year, thanks to increased efficiency and competitiveness.
- **Domestic Revenues:** Revenues reached USD 263 million, representing 5% less than the previous year due to the depreciation of the Uruguayan peso. In equivalent litres, we achieved a 3% increase.
- **Exports:** We are proud to announce that we remain the market leader in dairy exports in the country, present in more than 50 countries with our products on the table of millions of consumers on the planet. Milk powder represents approximately 77% of sales, mainly to Algeria, Russia, China and Brazil.

China has strategically positioned itself as our third export partner at 11%, as a result of commercial and technical agreements with its main companies.
- **Nutrition Projects:** In our facilities in Villa Rodriguez Industrial Complex a third drying tower is being built with state-of-the-art technology that will enable us to comply with the highest international standards of nutrition formulas, thus adding further value to our production process.

At the same time, our developing project to change our energy matrix has added competitive advantage to the plant taking into account environmental impact.
- **Digital Transformation:** We have made significant improvements to our productivity by task systemisation, optimisation of our resources and improving decision-making processes. These key advancements also add value to upgrade and further the training of our human capital.
- **Financial Capital:** Our solid financial structure in terms of equity has remained stable in the face of the current volatility of international markets

Our commitment

Conaprole has risen to the challenge within this difficult context, once again showing its strengths, resilience and capacity to innovate based on teamwork, and always taking into account the entire supply chain.

These hard times enhanced the cooperative spirit along with the values we uphold and which make up the **#ConaproleSpirit** that stands for Innovation, Efficiency, Proactivity, Resilience, Transparency, Teamwork and Commitment, providing continuity in our operations and customer satisfaction to our clients worldwide.

We maintain a realistic vision of global demand for food added to our competitive advantages; privileged weather, unparalleled meadows and grazing land, top quality raw material, state-of-the-art technology, efficient logistic processes and systems, and a highly committed team of skilled professionals with clear objectives in regard to improvement and transformation to adapt to the new world order is one of the key factors to our success, goals and long term vision.



Gabriel Valdés
CEO

These hard times enhanced the cooperative spirit along with the values we uphold and which make up

the **#ConaproleSpirit** 



[Click image to see video](#)

Our response to COVID-19

In response to the needs of our stakeholders, we have implemented more than 400 new initiatives related to dairy farms, milk dispatch, plant operations and product distribution. We have also contributed to our communities with fund raising campaigns and volunteer work.



3 Emergency Committees operating 24/7	\$u597,007 Donated to the Coronavirus Fund	25,550 kg Powdered milk donated to the SINAE	More than 4,000 Baskets with Conaprole products
--	--	---	---



Some outstanding efforts worth mentioning regarding the safety and security of our workforce and stakeholders:

- Three emergency committees on Personnel, Quality Assurance and Continuity of our operation were instated, working on a 24/7 basis to monitor the impact of this unusual scenario, assess risks, ensure swift and responsible decision making.
- More than 20 specific protocols were published, and over 400 measures were adopted regarding hygiene, preventive measures, third party companies, symptom detection, effectiveness and efficacy.
- New sources of internal communication were developed: safety and security videos, screens in all our plants, recommendations issued by the Ministry of Health of Uruguay, banners, updated information on our app; aimed at enhancing safety and security matters for our people and all parties involved.
- We created a fundraising campaign: for every \$U 200 donated by our staff, we donated 1kg of powdered milk, reaching \$U 597,007 which was donated to the Coronavirus Fund.
- Total donations amounted to 13,000kg of whole milk powder on behalf of Conaprole and 12,550kg by our farmers to the National Emergency System (SINAE).
- Thanks to our team of collaborators and volunteers and in the same spirit as our trademark, we joined the initiative “United to Help”, thus collaborating with over 4,000 baskets of our products for those in need.





01

We are Conaprole



We are **the market leader** in the dairy industry in Latin America. Founded in Uruguay, with over 1,750 dairy farmers, we provide one of the world's top quality dairy products with outstanding nutritional value, thus contributing to the health and well-being of consumers around the world. Day in and day out thanks to the outstanding excellence in our processes, we seek to add value for all parties involved. This is due to our high quality standards and food safety processes, innovation, technology, the commitment of our farmers and our team. Our vision statement looks toward the world of, and for future generations.

Mission, Vision & Values

Why do we exist?

To maximise the value of our milk by offering top quality, healthy and innovative products to our clients worldwide.

Where are we headed?

We aim at becoming the leading company of our industry in Latin America with global outreach in first rate dairy products, generating positive sustainable impact upon people and the environment.

TheConaproleSpirit stands for constant transformation:

- Innovation
- Efficiency
- Proactivity
- Resilience
- Transparency
- Teamwork
- Commitment

The History of Conaprole

We were founded in an unprecedented historical moment of milk production in Uruguay. We became the solution and ensured consistent top quality dairy products to the people in our country. Over time we turned into the dairy project par excellence, thanks to the passion and knowledge of thousands of collaborators.

With the objective of being the backbone for farmer development in Uruguay, and simultaneously ensure daily milk supply to its people, on 1 June 1936 we became the National Cooperative of Milk Producers in Uruguay (CO.NA.PRO.LE – Cooperativa Nacional de Productores de Leche).

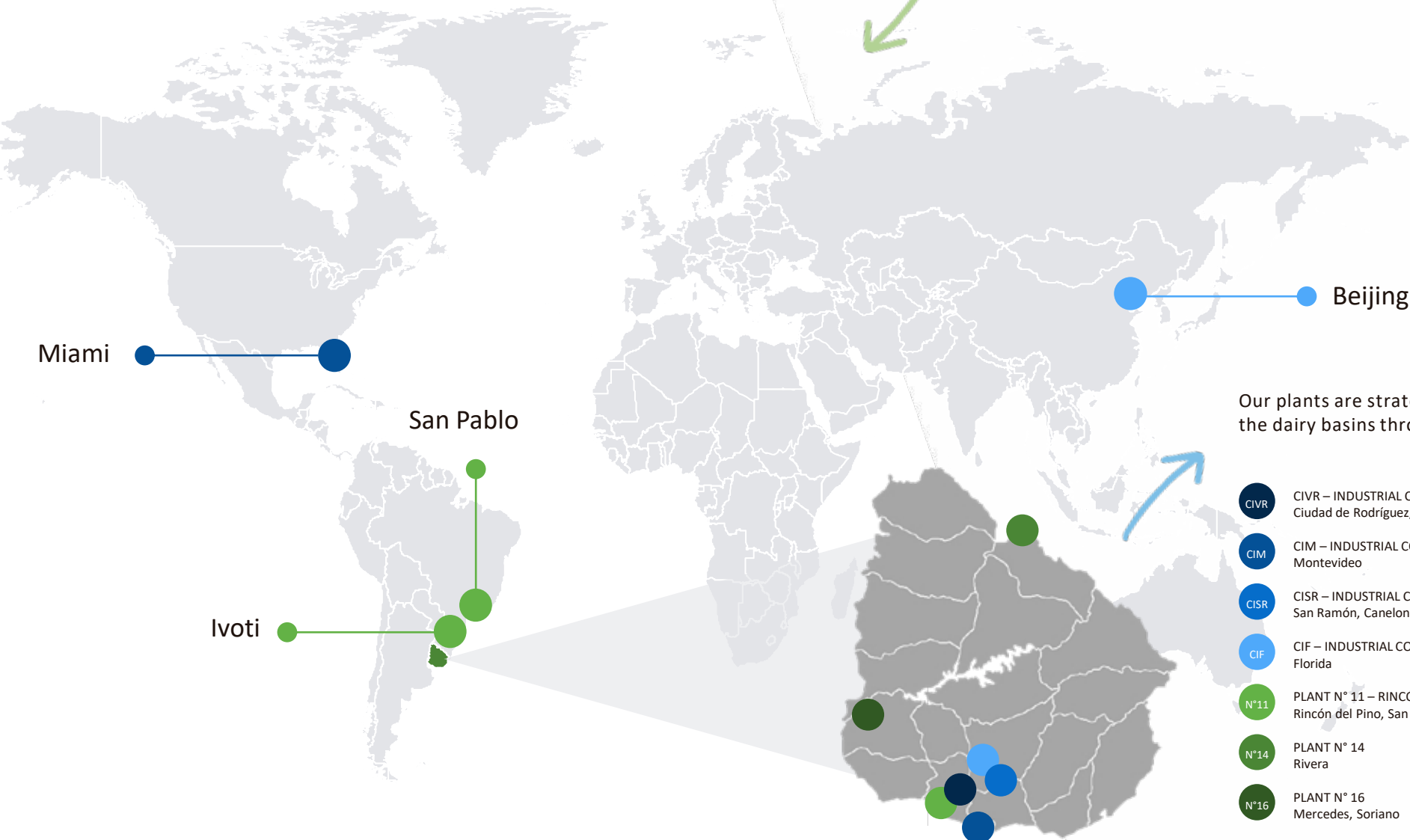
After 84 years in the market, we are the largest private company in Uruguay. In the last 30 years we have become a global player as part of the Latam dairy ingredient market, reaching more than 50 countries with our products. We are not just a brand, we represent the Uruguayan culture.

Conaprole reflects a dream come true, of local farmers making history while building the future.



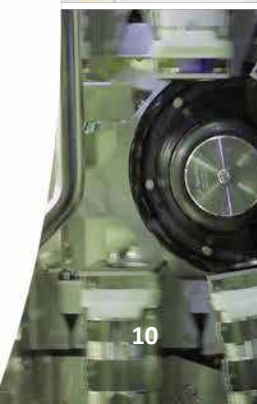
Feeding the World

Our plants in Uruguay and offices around the world.



Our plants are strategically distributed all along the dairy basins throughout the country.

- CIVR – INDUSTRIAL COMPLEX VILLA RODRÍGUEZ
Ciudad de Rodríguez, San Jose
- CIM – INDUSTRIAL COMPLEX MONTEVIDEO
Montevideo
- CISR – INDUSTRIAL COMPLEX SAN RAMÓN
San Ramón, Canelones
- CIF – INDUSTRIAL COMPLEX FLORIDA
Florida
- PLANT N° 11 – RINCÓN DEL PINO
Rincón del Pino, San Jose
- PLANT N° 14
Rivera
- PLANT N° 16
Mercedes, Soriano



Our products for export

We are currently
a worldwide
player reaching
more than 50
countries with
over 50 products



Milk Powder

- Whole milk powder
- Skimmed milk powder
- Instant whole milk powder

Butter and Fats

- Butter
- Fats

Whey

- Demineralised whey (D40, D70, D90)
- Buttermilk

Cheeses

- Processed cheese
- Semi-hard cheese
- Hard cheese

Nutrition Mix

- Tailor-made solutions
- Fat filled powder



Our domestic market products

Our portfolio has more than 250 products to serve our customers.

- ◆ Milk
- ◆ Cheeses
- ◆ Yoghurts
- ◆ Ice-creams
- ◆ Dulce de leche
- ◆ Desserts
- ◆ Fruit juices
- ◆ Others



This wide range of products is sold in Uruguay under several brand names.




Products launched in fy 2020



2019/2020 Achievements

No.1 
Exporter in Uruguay

1,432 
MM litres of
processed milk

1,783 
Dairy farmers

MM USD 742 
In revenue

53 
Export to 53
countries

Over 157,000 
Tonnes of exported
products

2,012 
Employees

7 
Plants in 6 regions
throughout the
country



Economic & financial indicators

Accounting Report Auditors:

We have a signed agreement with PwC in effect until 31 July 2021. As a means to demonstrate no conflict of interest whatsoever in business dealings with our company, the auditing firm must present a signed letter annually.

Tax and Economic Advisors:

Deloitte.

Legal Firm:

Posadas, Posadas & Vecino.

Technical Advisory for Sustainability Report:

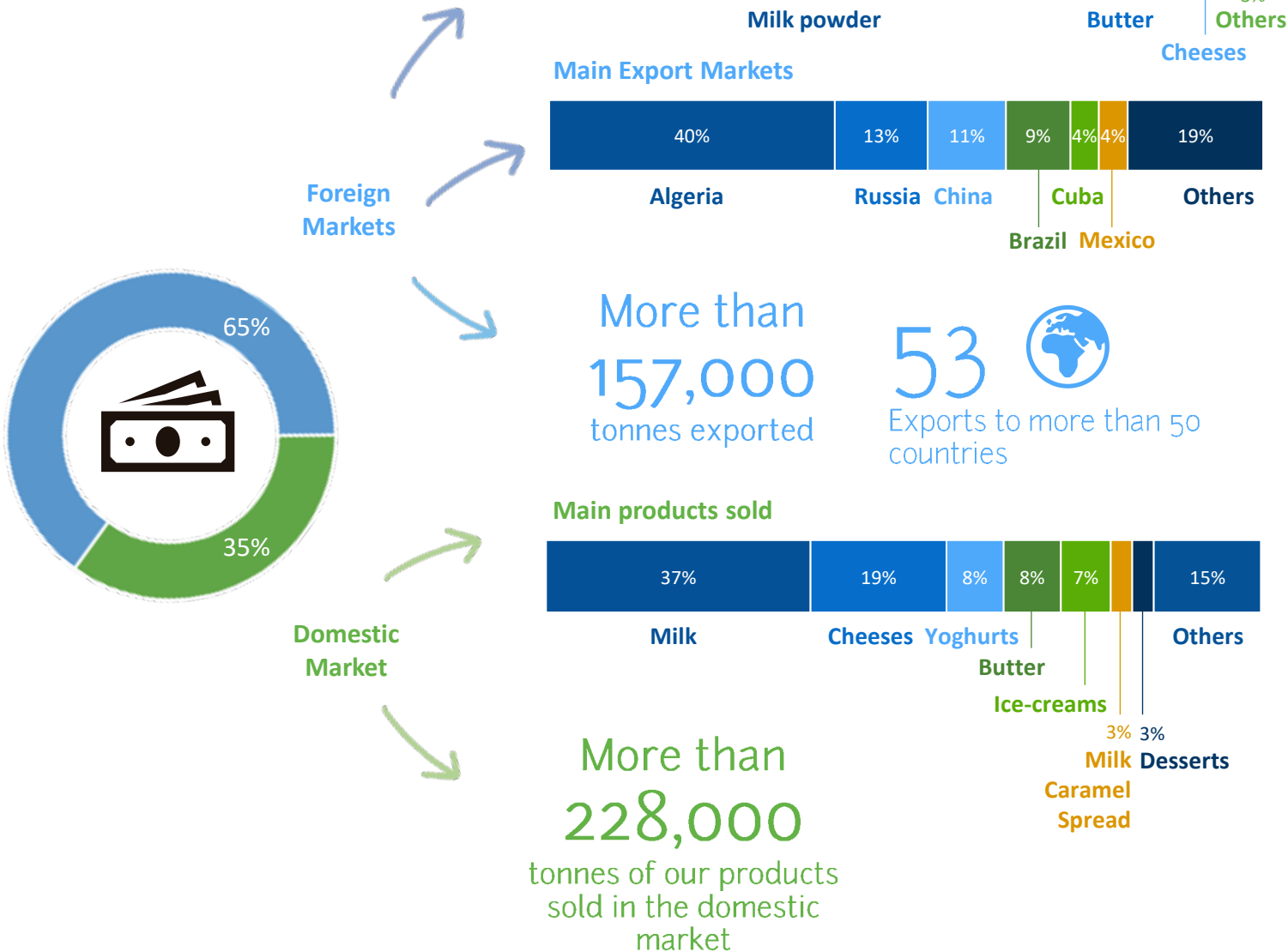
Deloitte.

Figures related to individual accounting reports in Conaprole

Generated Economic Value (USD MM) Revenues (USD MM)	2020/2019	2019/2018
1. INCOME	738,0	786,0
1.1 Sales	742,2	780,6
1.2 Other income	3,0	1,4
1.3 Income from self-constructed assets	0	0
1.4 Credit impairment allowance	-7,3	4,0
2. PURCHASES	-546,7	-593,2
2.1 Milk, cream, freight, raw materials, packaging material	-432,6	-465,8
2.2 Energy, third party services, others	-72,3	-84,9
2.3 Active asset value	0	0
2.4 Others	-41,8	-42,5
3. GENERATED ECONOMIC VALUE GROSS INCOME	191,3	192,8
4. DEPRECIATION, AMORTISATION	-29,4	-28,0
5. ECONOMIC NET VALUE	161,9	164,8
6. GENERATED ECONOMIC VALUE RECEIVED IN TRANSFER	1,0	-0,4
6.1 Balance from subsidiary participation	2,1	0,8
6.2 Financial income	1,6	1,9
6.3 Others	-2,7	-3,1
7. TOTAL GENERATED ECONOMIC WORTH	163,0	164,4

Distributed Economical Value (MM USD)	2020/2019	2019/2018
8. DISTRIBUTION OF GENERATED INCOME VALUE	-92,1	-107,0
8.1 Staff	-84,8	-98,7
8.1.1 Wages and Social Security	-84,8	-98,7
8.1.2 Benefits	0	0
8.1.3 Others	0	0
8.2 Government (Taxes, rates and contributions)	-2,6	-3,5
8.3 Remuneration to third party capital	-4,8	-4,8
8.3.1 Interest rates	-3,9	-3,1
8.3.2 Equity	0	0
8.3.3 Others	-0,9	-1,7
8.4 Net Income	0	0
8.4.1 Non-allocated surplus	0	0
8.4.2 Non-controlled retained earnings	0	0
8.4.3 Others	0	0
9. NON-DISTRIBUTED ECONOMIC VALUE	70,8	57,3

Foreign and domestic market revenues



Customer satisfaction in our domestic and foreign markets is our priority.

Customer Satisfaction Survey – Foreign Markets 2020

- Reliability, solvency of the supplier
- Quality of the product
- Price quality ratio
- Customer service
- Information and updates
- Compliance with agreed delivery dates
- Quality of packaging
- Financial terms

The survey showed excellent ratings in reliability, supplier solvency and quality of the products, as in the previous year.

Customer Satisfaction Survey – Domestic Market 2020

The results obtained showed a high level of customer satisfaction in the following areas:

- Lading orders: hours, quality and flexibility
- Product delivery: on-time and requested products
- Documentation transparency
- Portfolio. Quality, quantity, variety and effective communication strategies
- Commercial management: client relation from point of sale to end point

CONAHORRO

Conaprole Savings: Adding value for our customers

What is Conahorro?

Implemented since 2009, it consists of a transferrable bond issued by Conaprole in US dollars with the objective of consolidating the image of the Cooperative as a local company with international standards, in addition to diversifying the sources of funding in order to meet seasonal, cyclical and growth needs of the dairy industry.

Who is it intended for?

Small and medium-size savers.

How can it be obtained?

It is offered online through the Bank of the Oriental Republic of Uruguay, the Montevideo Stock Exchange and several Banks throughout the country.

What is the payment method?

Interest rates, redemption options, biannual.

What does Conaprole use the funds for?

The funds have been destined to finance working capital and facility investments projects.



<http://www.conahorro.com.uy/>



Security, Reliability and
Liquidity for the investor



Corporate Governance

All the information included in this section constitutes the corporate governance report as required by article 184.12 of the RNMV (Stock Exchange Listing Rules).
This report was approved by the governing body of Conaprole on 29 September 2020, and will be submitted at the Assembly for approval.

Corporate Governance

Conaprole (National Cooperative of Milk Producers) was created under Law No. 9,526 on 14 December 1935, and its respective Decree on 9 July 1941, regulated by several laws and decrees as mentioned in Note 1 of the Accounting Report attached hereto.

Under the aforementioned law and its subsequent amendments, the company purpose is to receive all milk sent by its cooperative members and to pasteurise, industrialise, sell in the domestic market and export milk and its by-products.

Equity

Initial Outlay

Subsequent to its initial outlay, Conaprole has reflected the capitalisation of reserves and adjustments to equity in its ledgers. No member shares have been issued for the values corresponding to expropriations and capitalisation.

Productivity Fund

The Productivity Fund was created as of 1 January 2000 by an internal rule (Governing Body Ruling No. 68,974). Its objective is to finance Conaprole's investments so as to increase the value of the milk. This fund is not returned to the farmers directly, but rather, according to the achieved results, prices to producers are reassessed based on each members' participation in the fund. For the creation of this fund, 1.5% of the total payments for milk dispatched are retained.

No farmer member owns more than 10% of the productivity fund.

Changes in the Structure of the Cooperative

No significant changes have been made to the ownership structure. In financial year 2020, contributions amounted to USD 6,679,754.



Management Structure

The organisational chart of the Cooperative consists of 2 governing bodies:

- Board of Directors

The Board is integrated by 5 members elected every five years chosen by the co-op members by means of secret vote under the supervision of the Electoral Court of Uruguay.

- Farmers Assembly

The role of the assembly is consultative or advisory. It is integrated by twenty-nine members, elected simultaneously with the Board of Directors.

Board of Directors – 5 members

The members of the Board are elected by the farmers every five years. Four members belong to the most voted list, and the fifth representative from the second most voted list, only if it represents more than 10% of the total of the valid votes cast. The last elections were held in November 2016, holding office as of March 2017.

Their main responsibilities include:

- Setting milk prices
- Setting investment and financing plans
- Workforce transfer and wages
- Annual Budget and fiscal year balance sheet approval
- Monitoring management

No changes were observed in the last period.

During the financial year ending on 31 July 2020, 49 decision-making meetings were held by the Board of Directors for the strategic management of the Cooperative.

The presence of four members of the Board suffices to cast decisive votes, except in cases where the regulation stipulates the presence of more members of the Board to resolve the matter. The final ruling depends on the majority of votes, with the exception where it has been specifically established otherwise.

The directors receive fixed salaries. The wages are non-related to the Cooperative's profits.

Farmers Assembly – 29 members

Simultaneously with the election of the Board of Directors the members of the Cooperative elect twenty-nine delegates, forming the Farmers Assembly.

Duties:

- Advisory to the Board of Directors
- Approval of the organisation's Annual Report and balance sheet.
- Exercise the power to override Board of Directors decisions (two-third of votes by members required).

The assembly gathers when required by the Board, or when requested by ten members. The assembly must meet at least once a year, at the end of every financial year to take into consideration the annual report and balance sheet that the Board is required to submit. Approval is obtained by the majority present in the meeting. In order to hold a session the required number of members is 50% plus 1 of the totality of its members without prejudice to the task as ordained by law.

The Farmers' Assembly held two meetings during the financial year.

Main topics discussed in the Assembly sessions:

- Approval of management during 2019/2020
- Guidelines for future prospects 2020/2021
- Milk pricing



Mr. Álvaro Ambrois Martínez
President



Mr. José Alejandro Pérez Viazzi
Vice President



Sr. José Noel Alpuín Duque
Director



Sr. Gabriel Fernández Secco
Director



Sr. Miguel Angel Bidegain Lecuona
Director

Controlling Bodies

Fiscal Commission – 3 members

Created according to article 40 of Law 17,243, article 90 of Law 17,292, and Decree 241/03 on 16 June 2003. Its duties consist of internal controls and is integrated by three farmers elected simultaneously with the Board of Directors election. Integrated by Mr. Eduardo Martín Mendivil, Mr. Mario Julio Dighiero, Mr. Alessio María Ortolani.

Duties:

- Control compliance in all aspects of management of Conaprole in regard to laws and regulations.
- Examine and rule in matters regarding the financial year of the organisation, such as documentation analysis, requesting related reports including internal and external audits.
- Provide information required by the Farmers Assembly in matters of competence.
- Investigate complaints raised by any member of Conaprole, relaying all complaints and outcomes to the Board of Directors.
- Provide non-binding advisory opinion associated to bond issuance.

The Fiscal Committee held 16 meetings during the financial year.

No compensation mechanisms exist for tasks performed by the Fiscal Committee members that are related to the economic results of the organisation.

Auditing and Supervisory Committee – 4 members

Integrated by: Mr. Álvaro Ambrois (President), Mr. Gabriel Fernández Secco (Director), Mr. Mario Julio Dighiero (President of the Fiscal Committee), Ms. Virginia Torchelo (Internal Audit Manager).

Duties:

- Uphold the reliability and integrity of accounting policies and practices applied in regard to financial reports and statements.
- Monitor all transactions between the interested parties.
- Present and propose to the Board all matters related to external auditing firms and contractual conditions.
- Supervise internal control systems in regard to processing financial reports and statements, personal data protection together with the Planning and IT area, in compliance with the policies and code of ethics of the organisation.
- Review and approve all internal auditing related matters, compliance and reports.
- Monitor and implement recommendations presented by internal auditing and external auditors, in particular in matters related to identifying weaknesses in the control processes.
- Review external audit opinions and assess compliance.
- Establish clear procedures in regard to any complaint that may arise in matters of accountancy, internal or external controls, and safeguard the confidentiality and anonymous nature of such complaints.
- Present performance reports, no less than a four-month period, to be submitted to the Board.

The Auditing and Supervisory Committee held two meetings during the financial year.

No compensation mechanisms exist for the tasks carried out by the members of the Auditing and Supervisory Committee that are related to the economic results of the organisation.

Top management structure



Mr. Gabriel Valdés
CEO

Central Management



Ms. Ana Echenique
Quality



Mr. Leopoldo Fernández
Logistics & Supply Chain



Mr. Gerardo Maturana
Exports



Mr. Gabriel Oleggini
Farmers



Mr. Andrés Pastorino
Innovation, Research & Development



Mr. Francisco Petrúrgaro
Commercial



Mr. Eleazar Polak
Engineering



Mr. Gabriel Polak
Human Capital



Ms. Enriqueta Portela
Organisation & Methods



Mr. José Luis Rial
Finance



Ms. Irene Rossello
Operations & Nutritionals



Ms. Virginia Torchelo
Internal Auditing



Mr. Diego Vázquez
Planning & Digital Transformation
Technologies

Industrial Plant Managers



Mr. Gonzalo Senra
Industrial Complex Villa Rodríguez



Mr. Lucas Baptista
Industrial Complex Montevideo



Ms. Victoria Fitipaldi
Industrial Complex San Ramón



Mr. Agustín D'Angelo
Industrial Complex Florida



Mr. Mauricio Suarez
Plant N° 11



Mr. Cledir Dos Santos
Plant N° 14



Ms. Andrea Alvarez
Plant N° 16



Operational Committees



Conaprole's management consists of the following committees:

S&OP Export Committee

Export compliance assessment, market risk management, coordinating customer care development and certification.

S&OP Commercial and Innovation Committee

Analyse and evaluate portfolio management within the domestic market, approval of sales forecast and follow-up on new product development plans, commercial initiative of trade marketing and marketing assessment.

Industrial Projects Committee

Develop new investment proposals, monitor current investments already approved by the Board, and assess maintenance strategies for the operation of industrial assets and any associated risks.

Human Capital Committee

Assesses human capital management policy execution approved by the board, improvement proposals related to all areas such as company organisational structure, union relations and the competent authorities in regard to labour relations, occupational safety and health, among others.

Food Safety & Quality Committee

To serve as an advisor in quality assurance matters in all areas of the company, and a body where the necessary actions to be taken are defined in order to optimise Conaprole's proper functioning in line with continuous-improvement values. Its purpose is to achieve and sustain excellence in terms of quality, not only of our products but also in management processes and interactions aimed at the successful satisfaction of the expectations of all parties involved.

Sustainability Committee

Define strategies and monitor the management of social, environmental and economic impact of the company's initiatives by preservation of resources, particularly water, energy, soil and air. Likewise, analyse and promote Conaprole's participation in governmental initiatives.

Ethics Committee

Effective control and management in all matters related to corruption, and influence peddling that may affect the organisation.





Code of Ethics & Compliance

Integrity, transparency, zero tolerance policy, code of conduct, teamwork and excellence.

Our ethical responsibility:

- Economic: Produce foodstuff and ingredients as deemed necessary for society, and offer fair prices with adequate profitability levels to ensure return on investment and sustainable growth for the Cooperative.
- Legal: Compliance with all industry related legal rules and regulations.
- Ethical: To our co-op members, staff, clients and suppliers.
- Social: Supporting causes in alignment with our company values.

Our shared values and principles can be found in our Code of Ethics in effect since 2009.

Our code of ethics committee is highly committed to assure compliance and that the code is upheld, resolving all queries and complaints that may arise in regard to the matter.

On 29 July 2019, Conaprole signed a loan agreement with the International Finance Corporation (IFC), and the Inter-American Development Bank (BID invest). As part of the agreement, Conaprole has pledged to align its proceedings and define an action plan against corruption in any way, shape or form according to international standards.

On 30 June 2020, the Board approved the Anticorruption Programme for the Conaprole Group according to resolution No. 89,490. Our compliance officer reports to the Ethics Committee and is responsible for the execution and improvement of the action plan where deemed necessary in all matters related to complaints, changes to internal policies, training and communication, amongst others.

By means of our institutional web site all doubts, queries, suggestions or complaints may be presented anonymously to the company (<https://etica.conaprole.com.uy/denuncias>).



Sustainable management strategy

Conaprole is effectively undertaking its five year plan since 2017, in effect until 2022 in accordance to its yearly objectives.



Our integrated Management System reflected in our company policies reinforces its execution.

Integrated Management System Policy

At Conaprole we aim toward maximising profit for our members, and optimising sustainable development.

We are committed to being the market leader in our industry, in compliance with the applicable rules and regulations, ensuring responsible and innovative management.

Our mission to go the extra mile and achieve customer satisfaction is based on the following pillars:

◆ We provide our farmers technical and social support so as to maintain our position as market leaders in the dairy industry in Uruguay.

◆ We encourage our workforce and collaborators commitment with the company and its Integrated Management System thus providing them with the necessary competencies and skills required for them to achieve their full potential. We also promote individual health care and preventive measures in the work place for the safety and security for all parties involved in our processes.

◆ Best practices at all levels of the organisation is one of our core values as is building customer relations and trust. We foster excellence in all of our processes, ensuring quality and food safety. Our facilities and equipment are suited to stay at the forefront of innovation where safety and security are one of our main priorities in the company. Risk management, quality assurance, best business practices including state of the art technology and innovation at all levels of the organisation is our means of achieving excellence.

◆ Conaprole has an active participation and supports the economic and social development of our community, catering for needs and enhancing effective communication. We encourage environmental care by means of the efficient and responsible use of the natural resources such as water and energy in every aspect of our production processes.

Our Stakeholders throughout the entire Supply Chain

Our value chain process begins at our farmers pastures up to the final product chosen by our customers.

Our communication channels are always open and available for all interested parties whether individuals or companies that may be affected by our activity and processes.



The raw material of all our milk production processes comes from our farmer members distributed throughout the country.

By means of our outsourced service, all the milk is transported from each dairy farm to the nearest industrial facility for processing.

All the milk is processed in our 7 industrial plants under the highest standards and strict quality controls to produce the products in our portfolio.



Conaprole in the world



Market Share



Ongoing communication with our stakeholders

Conaprole seeks to maintain and strengthen its credibility and trust with its stakeholders by means of effective communication processes.

Communication is an essential aspect of our company's processes and values, therefore open dialogue is ever present toward all persons and organisations involved in order to cater to their interests and expectations and identify the overall risks to our business.



Milk Producers

Our mission is to collect, process and commercialise all the milk produced by our members with **maximum efficiency** so as to improve revenue and quality of life. We are highly committed to the development of our operation in alignment with our strategic objectives within the framework of our values and the principles of our organisation.



Team of Collaborators

The awareness that our staff is an asset and that they **make the difference**, is what propels Conaprole's ongoing and constant efforts to promote and enhance a productive, healthy working environment for our staff.



Our Customers

Our objective is to add value and to be the main choice for our customers. We aim toward excellence, effective delivery and quality products and go the extra mile to meet and anticipate our customer's expectations proactively, assuring long-term relationships and mutual benefit for all parties involved.



Suppliers and Distributors

Developing and fostering **relations based on reliability**, integrity, transparency, trust and mutual benefit is part of the secret to our success with our suppliers and distributors.



Regulatory Bodies and Government

The nature of our operations requires ample interaction with the different governing bodies of our domestic and foreign markets where our mutual relations are based on respect, transparency, **honesty and integrity**.



Community

Our commitment **to add value to our communities** by means of our Social Accountability Policy is reinforced through our communication channels.

Materiality & SDGs

Based on GRI standards and guidelines, the sustainability of our business has been classified into People, Environment and Healthy Nutrition.

Our company looks at the past in order to improve the future by means of alignment, flexibility and adaptability, following international best business practices and taking into account the expectations of our stakeholders.

The tangible results of these practices have been addressed throughout the report as seen below.

Our material aspects

Sustainable Development Goals

These goals were adopted by all UN Members States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. This so-called “2030 Agenda” defines 17 sustainable development goals and 169 targets.

Uruguay as a UN member country strives relentlessly to fulfil the requirements of the SDGs and, given their ambitious scope, all industries play a major role. Conaprole’s active efforts to contribute to these goals had a decisive impact on all its operations and the company works towards aligning its management to the “2030 Agenda”.



We are farmers

- Production & Financial Support
- Social Support
- Environmental Support



We are nutrition and health

- Healthy & Safe Products
- Innovation & New Product Development
- Nutrition & Healthy Lifestyle Promotion



We are environment

- Water Management
- Energy & Emissions
- Waste Management
- Packaging Materials



We are people

- Diversity & Inclusion
- Training
- Occupational Health & Safety
- Benefits & Work-Life Balance
- Social Programmes for Community Development



Our commitment to the productive development of Uruguay

Conaprole's active participation with Uruguay's main business associations are as follows:

- Chamber of Dairy Industry of Uruguay
- National Milk Institute
- Union of Exporters of Uruguay
- Pan American Dairy Federation
- Chamber of Industries of Uruguay
- Industrial Chamber of Food
- Federated Agricultural Cooperatives
- National Chamber of Commerce and Services of Uruguay
- Commerce of Defence League
- Chamber of Advertisers
- Business Commitment to Recycling
- Organization of Women Entrepreneurs of Uruguay

Awards & Recognition

Conaprole has been recognised by the Bank of the Oriental Republic of Uruguay and the Union of Exporters as the:



No.1 
Exporter in the country

No. 1
Exporter in the industry

No. 1
Exporting client of the Bank of the Oriental Republic of Uruguay



Recognition by MERCO

We have been recognised by MERCO, a worldwide referral in the analysis of company reputation and leaders in Iberoamerica, as the fifth best ranking company of Uruguay in 2019. **We are also Uruguay's best ranked private company.**





02

— . — . — . —
We are Farmers
— . — . — . — . — . — . —

We are Farmers: The reason of our existence

We are 1,783 milk farmers and the majority is located in the south of Uruguay. Sixty one percent of our farmers are family run dairy farms producing under 1,500 litres of milk a day.

Sustainable Dairy Farm is a Conaprole initiative supported by IBD LAB (Inter-American Development Bank), to provide technical assistance for dairy farm sustainability. The services offered are: advisory for access roads to farms, water distribution for livestock, irrigation systems, effluent management, solid waste management and energy efficiency.

www.sustentable.eleche.com.uy



Click image to see video

Initiatives to strengthen our farmers

We work with the unions, research institutions, government, companies, foreign and local technicians to provide farmers with continuous support to optimise farm management, milk production, profitability and quality of life.

1,783

Dairy farmers

61%

Family-run business

1,432

MM litres of milk produced by year
2.5% increase vs. last year

Production and financial support

By means of new technologies and skills we search to develop a productive and economically sustainable business for our farmers throughout the incorporation of new technologies and knowledge. We work together with farmers, their technical advisors and related institutions, focusing on the management of the different processes in the dairy farm.

Technical support to our farmers

Our technical team is located strategically throughout the country to provide support to the farmers in matters of productivity, social, economic and environmental matters.



Improvement projects

We have several ongoing projects targeted at improving dairy farm management in all main areas of milk production.

FosAPP

This application has been designed to monitor and standardise reproduction management and the sanitary conditions of our cattle.



Costs, Milk Management Support (AGL) and Competitive Production (PC)

These projects offer tools to enhance production, financial and economic management of the dairy farms.

Satellite Fodder Monitoring

This project has been designed for satellite monitoring of pasture growth, meadows and crops throughout the country.



Initiatives targeted at guaranteeing Milk Quality



Milk Collection System

To ensure the milk cold chain from the dairy farms to our plants our fleet of isothermal stainless steel trucks deliver the raw material to our plants, providing guaranteed safety in the milk collection process, traceability and control of the milk to be industrialized.



Laboratory Analysis

Throughout 365 days of the year our laboratory analyses the raw milk from the farmers, tanks and silos with physiochemical and microbiological analysis.



Quality Assurance Programmes

We developed a control and improvement programme toward quality assurance and milk safety. The programme offers the incentive of a bonus or penalisation system to our farmers based on the quality of their produce.



Initiatives to facilitate and assist our farmers in administrative and financial management



Access to Information

Each member of the coop can access the website to track the history of all their activity and quality of milk.



Input Supply Network (Prolesa)

Prolesa S.A. is a company dedicated to the supply of products that add value and technology to our coop members, optimising the price-quality ratio combined with the best conditions for sale, logistics and distribution processes.

With 22 outlets strategically distributed along the uruguayan dairy basin, a distribution and logistics centre, a granulating plant in Santa Lucía (Canelones) and home offices in Montevideo.

Prolesa is a referral for its clients and the industry with the objective to provide top quality supplies and services to its customers.



Credit Management (Proleco)

Since 1997, Proleco is a credit and savings capitalisation cooperative. Its objective is to offer financial services to meet the funding needs of farmers.

Social Support

The social aspect of sustainability refers to the quality of life and welfare of our farmers, their families, employees and the environment, catering to satisfy their needs in every way. The Cooperative has implemented tools with the objective to support dairy farms.

Productivity Fund

The fund is created from the contribution of each of the cooperative members at a fixed percentage of the milk sent. For the Cooperative, it is a tool for funding investments to modernize and improve efficiency. For the farmer, it is a way of obtaining a complementary payment for the dispatched milk, since we transfer the resulting profit to our cooperative members, which is added on to the monthly payment of milk and/or adjustment of prices.

Electrical Safety and Security at Farms

We continue to work on the assessment, design and improvement plan for safer electrical installations within dairy farms. Our objective is to offer a safe working environment.

Milk Safety

Our employees and farmers receive continuous training by our expert team based on best practices in the use of antibiotics. Its objective is to foster rational and restricted use, except where deemed strictly necessary and under the supervision of our team of experts.

Our software allows us to track and trace all of our products and processes in order to guarantee quality throughout all the production chain, from the dairy farm to the consumers table.

Animal Welfare

We provide training to farmers and the workforce in animal handling, added to adequate facilities to provide the necessary conditions for top quality animal welfare.

Training

The objective of our permanent ongoing training programmes is to keep all actors in involved in dairy farm activities and processes up to date.

- Business management training for farmers/entrepreneurs related to human sources, decision making processes, leadership, effective communication and teamwork.
- Youth training to provide future generations of farmers with a comprehensive vision of effective dairy farm management
- Safety and security training in handling agricultural machinery



Environmental Support

Supporting the environment and reducing our footprint is of paramount importance. In order provide and offer sustainable development for our current and future generations in environmental matters and biological diversity, we foster the awareness of the protection of natural resources for food safety, ensuring its use and fair distribution.

Since 2017 our organisation is audited by international firms to ensure environmental care. These audits consist of:

- Safe use of agrochemicals, non-contamination of natural water resources, and workforce safety.
- Protection and care of soil and water.
- Solid waste and effluent management.
- Protection of natural resources and biodiversity.
- Efficient use of energy.
- Human and social capital related to worker's rights, no child labour amongst other matters.
- The importance of animal welfare in every aspect.



Conaprole offers consultancy services to its farmers on several environmental issues, the most outstanding are:



◆ Soil use and management

By means of the Human Capital Empowerment Programme, promoting the use of grass seeds in fodder rotation. Its main objective is to maintain the soil covered with forage to avoid laminar erosion and water contamination with phosphorous and nitrogen.

◆ Care and use of water

Several actions have been carried out on the dairy farms to improve and preserve the quality of the water such as to improve effluent management, water distribution, restricting animal access to natural water courses, and also creating barriers to prevent waste pollution contamination reaching bodies of water.

◆ Effluent management

Our skilled interdisciplinary team acts as an advisor-consultant in the design, implementation and monitoring of an effective effluent management system tailored for the needs of each establishment. The recommendations include water collection and recycling, separating solids and liquids for storage and land layout.

◆ Solid-waste management

There are waste management programmes such as Campo Limpio non-profit organisation and CEV (Chamber of Veterinary Products).

◆ Energy Efficiency

With the help of energy efficiency consultants, changes have been introduced to the work routine and the operation of the dairy farm equipment to reduce electricity consumption and consequently CO2 emissions.

We provide consultancy for farmers → 138 Consulting assignments in the financial year

Dairy farms are the first link in the dairy chain and the quality of the raw material they supply is pivotal for the industry to be able to manufacture world-class products. In this respect, we continue to stand by farmers to ensure maximum milk productivity and quality, contributing to enhance dairy farm sustainability.

Consulting services	2019/2020	2018/2019	2017/2018
Effluent management in dairy farmers	46	52	51
Energy efficiency in dairy farms	28	34	37
Roads in dairy farms	35	43	20
Water management and distribution in dairy farms	29	4	17



We created the Sustainable Dairy Farming Handbook

A handbook for farmers containing guidelines on economic, productive, social and environmental aspects to provide guidance on relevant sustainability issues and promote good dairy farming practices.

[Download handbook](#)



03

We are Nutrition and Health



Producto
RECOMENDADO



Sociedad Uruguaya
de Cardiología



SOCIEDAD
URUGUAYA
DE PEDIATRÍA

Healthy & safe product

Why is it important?

At Conaprole, our approach to product quality and safety is comprehensive, ranging from milk production on our dairy farms to delivery to customers and consumers around the world. Emphasis is placed on compliance with quality, food safety and process sustainability regulations and standards, striving for continuous improvement in our products so as to provide superior value to consumers.



In the interest of improving consumer health, Conaprole is committed to aligning itself with the most advanced scientific knowledge, the indicators of well-known health organisations and new trends in nutrition.

What are we doing?

International standards and regulations

- Through an Integrated Management System, Conaprole focuses on best practices in quality, food safety and sustainability, promoting risk assessment and mitigation by means of cooperative-wide policies, standards and procedures; based on international regulations and the fundamental principles of globally recognised standards.

Approved suppliers of raw materials, inputs and services

- We see suppliers as strategic partners in the management and supply of high quality raw materials, inputs and services delivered in a timely and competitive manner. They play a key role in the pursuit of process excellence and in obtaining safe products with high nutritional value. Their approval is based on audits, compliance with quality and safety policies and adherence to global sustainability, food safety and quality standards.

Interdisciplinary industrial projects with sharp focus on product quality and safety

- At Conaprole, from the initial stage, industrial projects are approached in an interdisciplinary manner, with a view to obtaining high quality and safe products, conforming to customer and consumer requirements worldwide. In this light the facilities and processes were designed for the new Nutrition plant, based on best practices and adopting a pharma-like approach to quality assurance and control plans and processes.

Agreements with medical organisations

- In order to contribute to the improvement of the quality of life of our consumers, we maintain links and strategic agreements with the Uruguayan Society of Rheumatology, the Uruguayan Society of Paediatrics and the Uruguayan Society of Cardiology.

Certification of our manufacturing plants and industrial complexes

The top quality milk received by the cooperative today coupled with world-class industrial treatment enables us to meet the growing demands of our domestic and international customers.

Conaprole's corporate areas, export plants and logistics centres use an Integrated Management System, taking into consideration the requirements of ISO 9001:2015 Certification, to organise their activities. Down the line, various management system standards have been integrated such as ISO 22000:2015; ISO 14001:2015, ISO 17025:2017, ISO/TS 22002-1:2009, FSSC 22000 V 4.1, HACCP according to CODEX and OHSAS 18001:2007.

Innovation & new product development

Why is it important?

We are committed to contributing to the well-being of consumers through safe and nutritious products. This is clearly articulated in the company's Nutrition Policy and includes products for consumers with specific nutritional needs, such as reduced or no added sugar, gluten-free, low-fat or fat-free products. In addition, products with added nutrients and functional components, such as vitamins, minerals, probiotics, fibre and sterols, also stand out.

What are we doing?

Development of nutritional products for foreign markets

We began the commercial development of nutritional products for customers in foreign markets. In particular, we developed our first dairy-based powder product, using vegetable oil and with the addition of vitamins and minerals. This product has been designed to supplement the diet in an affordable way.

Staying up-to-date

We are constantly on the lookout for new consumer trends in relation to their well-being. This is combined with the latest scientific knowledge on food consumption and diet, as well as its impact on health, by maintaining direct links with leading medical associations. Professional advice and direct interaction with medical associations inform the design of outstanding nutritional products.

Launching new products

We launched new products that offer variety, new flavours and a rewarding sensory experience while maintaining the nutritional profile. This takes the form of line extensions through well-known brands such as Viva and Vital +.

Redesigning products

In order to achieve a better nutritional profile, efforts are made to find opportunities to redesign products in ways that does not affect consumer satisfaction. To this end, we do not only define the change sought, but also the way in which it is to be carried out so that consumer experience and gratification remain as expected.

Our commitments

Specific objectives linked to the development and launch of new nutritional products and/or the improvement of their nutritional profile are established. Specifically, for the 2019-2020 period the objectives were as follows:

- a) To make progress in the reduction of sugar and extend it to other products
- b) To reduce sodium in processed cheeses



5
New nutritional products
were developed

3
of them containing specific
nutritional information

31
Redesigned products with nutritional
improvements, achieving
a 20% reduction in
sugar

Six years ago, Conaprole set out on a process of reducing added sugar and achieved a reduction of up to 20%. It also quintupled the number of products suitable for individuals with diabetes.

Our commitment is to develop healthy products for consumers who choose us on a daily basis. We have also created a portfolio of functional and nutraceutical products designed as a nutritional supplement for people with certain needs.

It is also worth mentioning the wide variety of products suitable for people with specific needs: coeliacs, diabetics, children, among others.



**DISFRUTÁ DE LO
QUE TE GUSTA,
SIN AZÚCAR**



**ENCONTRÁ NUESTRA
LÍNEA DE PRODUCTOS
RECOMENDADOS
POR ADU**



Nutrition & Healthy Lifestyle Promotion

Every day we work to build valuable links with the neighbours of our industrial facilities. We open the doors of our facilities to the community at large and have permanent communication channels to diligently handle complaints or queries from any citizen.

Every year, local and foreign educational institutions of primary and higher level visit our industrial facilities.

Our social investment goes to programmes, actions and initiatives in the following areas:

- Knowledge generation
- Promotion of healthy nutrition and health care
- Strengthening schools and civil society organisations

2019-2020 Activities



Sustainable Brands

27 August

Sustainable Brands MVD, the first local edition of the Sustainable Brands international conference was attended by more than 400 people. It was held with the aim of showing how major brands are addressing issues that promote sustainability.

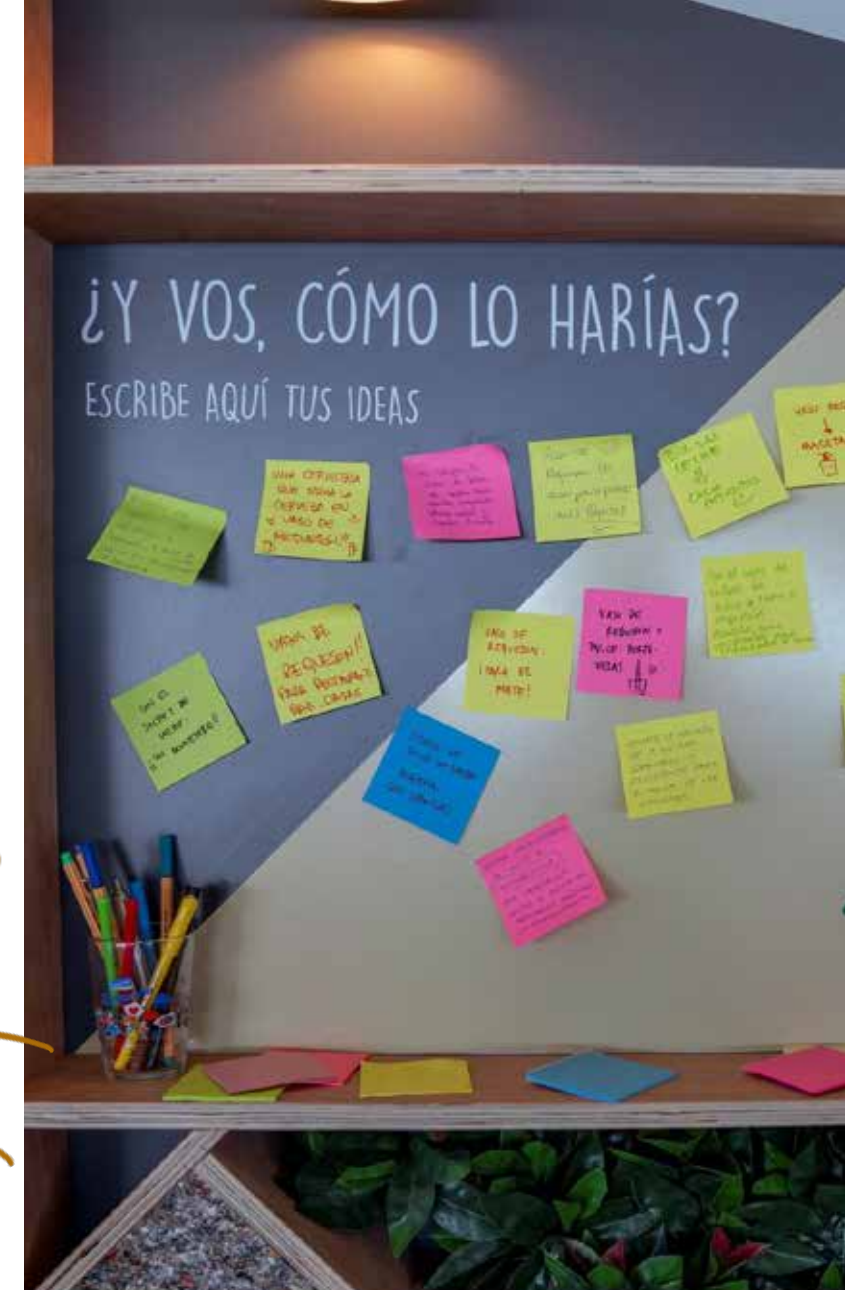


Nutriguia

22 August

Conference on Nutrition

Focal point: Dairy foods, lactose intolerance, dairy calcium. The event was attended by 450 people from various backgrounds, including nutrition graduates, diabetes specialists, endocrinologists and students, among others. The participants sampled Viva sugar-free yoghurts and desserts with a selection of gluten-free and sugar-free biscuits.



World Food Day - FAO

16 October

Conaprole took part in the WFD2019 celebration, organised by FAO at the MAM Farmers' Market in Montevideo. On this occasion, the Conaprole stand was visited by schoolchildren of all ages, where they were given talks and tips on healthy eating, promoting dairy consumption and physical activity. Conaprole's nutritionists provided visitors with information and brochures about its products and the milk journey.

ADU Uruguayan Diabetes Association

We participated in initiatives promoted by the Uruguayan Diabetes Association within ADU LIVE, ADU's communication platform that reaches out to members and the diabetes community. Draws were held as part of the "ADUtePremia" (ADU rewards you) programme as well as a quiz on diabetes. Additionally, ADU CAMP recreational activities were supported.



World Diabetes Day

14 November

The World Diabetes Day was celebrated by participating in the blood glucose testing event promoted by the nutrition departments of the Police and Military hospitals.



Nutritionists from Conaprole participated in the event where they gave health tips to prevent diabetes and promoted the consumption of dairy products.

Heart Week

During Heart Week, from 23 to 29 September, various activities were carried out at the Evangelical, Casa de Galicia and Police Hospitals. A series of talks and presentations on nutrition were given to patients and consumers, and a sampling session of Lowcol yoghurt enriched with plant sterols was held.



Visits to healthcare professionals

More than 2,590 healthcare professionals (doctors, nutritionists, paediatricians, cardiologists, rheumatologists, etc.) were approached with the aim of promoting healthy products, focusing on the functional product line: Vital+, Biotransit, Lowcol, Extra Calcium and Viva 0% sugar.



Talk at Procardias - FUCAC: 12 Heart-Healthy Foods and Active Break

Talk on promoting healthy eating habits and dairy consumption.



04

We are Environment

Water Management

Why is it important?

The protection and sustainable use of water resources is an underlying principle of our environmental management,

Water plays a fundamental role in the processing of milk, enabling the production of quality food products. We have adopted an integrated approach to water management, which begins with the protection of the sources from where water is extracted and ends with its final disposal as a treated effluent.

What are we doing?

Sources of water supply

In order to preserve our water sources and ensure an uninterrupted supply for our processes, we implemented an automated monitoring system. These measurements allow for borehole water extraction levels to be kept below those that are regulated, in addition to ensuring the quality and continuity of water supply.

Water collection (m³/year)	2020/2019	2019/2018	2018/2017
Ground water	2,362,438	2,309,685	2,286,485
Surface water	206,914	279,341	255,230
Municipal water supply	358,771	312,053	253,305
Total water collected	2,928,123	2,901,079	2,795,020
Lts water/ Lts of milk	2.04	2.10	1.98

Obtaining and using cow water

In milk powder production facilities what is known as “cow water” is also a source of water. When milk evaporates in the production process, water is recovered and used as service water to support different areas of the process. As a result, service water is obtained for reuse in different areas of the production process.

In productive processes, water is used for rinsing tanks and equipment, for services such as steam or chilling water and for pushing and transporting products. Water is also used for personnel toilet facilities.

Reuse of water in production processes

Automated tank and equipment cleaning processes provide the greatest water reuse opportunity. At Conaprole the water used in the final rinse of this cleaning process is recovered for reuse as an initial rinse.

Recycled or reused water / Water collection (%)

Reuse of water	2020/2019	2019/2018	2018/2017
Recycled cow water	16%	17%	14%
Water recycled for clean-in-place systems	11%	11%	12%
Total water reuse	27%	28%	26%

80%

of our water supply comes from groundwater

492,000

m³/year saved by obtaining and using cow water

2.04

litres of water/litres of milk supplied to the plant

27%

water reuse

Wastewater treatment

Once the end of the production process is reached, the water has traces of milk and cleaning agents. All of Conaprole's industrial facilities have wastewater treatment plants that purify this water. These treatment plants are monitored to ensure their correct functioning.

In order to comply with government regulations, plans were developed to upgrade the various treatment plants, representing an investment of approximately USD 40 million over the past 15 years. At present, 75% of the investment has been implemented.

Volume of water discharge (m ³ /year)	2020/2019	2019/2018	2018/2017
Discharge to sewer	574,970	568,558	556,100
Discharge to watercourse	2,755,380	2,754,200	2,925,000
Total volume of water discharge	3,330,350	3,322,758	3,481,100

As we seek possibilities for reusing water and maximising efficiency, its conservation is an aspect that is taken into account in the acquisition of new technologies for both production and services.

We aim to achieve eco-efficiency in our processes, with long-term goals conducive to real, sustainable and beneficial environmental improvements.



Energy & Emissions

Why is it important?

Energy is a key resource for our production processes. Through the implementation of the Management System, which aims to minimise the environmental impact of production operations by developing programmes to this end, our company seeks to manage this resource responsibly.

Energy	Unit of measurement	2019/2020	2018/2019	2017/2018
Fuel Oil	m ³	18,226	17,230	16,420
	MWh	211,422	199,868	190,929
Natural gas	m ³	-	-	1,430
	MWh	-	-	15,464
Gasoil	m ³	65	69	59
	MWh	754	800	602
Firewood	Tonnes	66,111	66,890	57,527
	MWh	191,722	193,981	167,229
Total fuel	MWh	403,898	394,649	374,224
	kWh/m ³ of milk	283	284	265
Electricity	MWh	109,996	105,220	101,086
	kWh/m ³ of milk	77	76	72

What are we doing?



Energy Management System

At Conaprole we have implemented an Energy Management System that has enabled us to achieve the following:

- Systematization of indicator monitoring.
- Identify and assess improvements that enable to reduce energy costs, whether due to changes in technology or improvements in operations and maintenance.
- Establish a way to measure energy efficiency of the different areas and equipment (boilers, evaporative condensers, etc.) in the company to keep them under control.
- Train staff on how to save energy, working towards energy efficiency through training and internal communication programmes.
- Biannual energy audits to control the sources and use of energy.

Reverse Osmosis

We installed a reverse osmosis system for boiler feed water reducing fuel consumption by more than 10% as well as reducing the use of water, salt and chemicals.

Heat recovery from combustion fumes

We installed a combustion fume heat recuperator to preheat thermal fluid, reducing the equipment's fuel oil consumption by 10%.

High efficiency equipment

We aim to upgrade equipment and use more efficient technologies. We replaced pasteurisers with high-efficiency equipment, which today consumes one third of the energy (steam and cold) used for the same process.

Biogas valorisation

We recover the biogas produced in the wastewater treatment plant of the Villa Rodríguez Industrial Complex for use as alternative fuel in the boiler, replacing the consumption of fuel oil.

Energy efficiency in cooling processes

Considering the importance of energy consumption for cooling processes, we have worked on analysing demand, recovering heat from cooling systems (such as employing a heat pump that uses the heat from the condenser water) and acquiring new systems with more efficient technologies.

Energy recovery system

As part of the expansion project of the Villa Rodríguez Industrial Complex, an innovative system is to be installed to recover energy from the air released into the atmosphere during the milk drying process to preheat the incoming dryer air.



Investment and energy saving

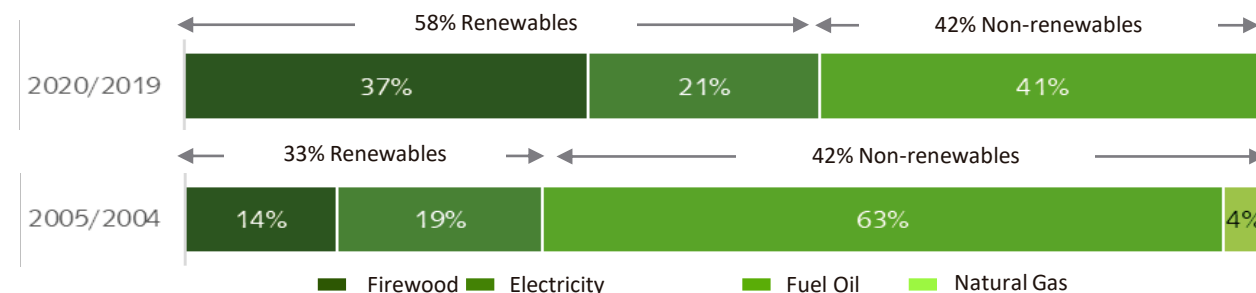
During this financial year, more than USD 1 MM has been invested in energy efficiency in order to generate the respective savings.

Investment and savings	Investment (Millions of USD)	Savings ml fuel oil/year	Savings mWh/year
Heat recovery from fumes	134	84	0
Milk pasteurizing equipment upgrade (Montevideo Industrial Complex)	170	88	219
Reverse osmosis (CISR)	133	250	0
Biogas	620	(*)	
Total	1,057	422	219

(*) Estimated at 250 thousand litres of fuel oil

Evolution of the Energy Mix

The energy mix has evolved in recent years. Today, energy from wood has become more significant than other energy sources, having completely replaced energy from natural gas. In this regard, the weight of renewables in our energy mix increased from 33% in 2005 to 58% in 2020.



58%
of our energy mix comes from
renewable energies

We have a computer tool that stores all the necessary information to measure the carbon emissions generated in the manufacturing of our products.

Scope 1 emissions are from stationary combustion processes. Scope 2 emissions are related to the consumption of purchased electricity at our facilities.

Scope 3 emissions are those that are not directly caused by Conaprole. They occur as a consequence of the management of the distributors' fleet in the domestic market, the fuel consumed by transporting milk to the industrial facilities, as well as the shipping and the transportation of the product to the port.

All the efforts made in terms of energy efficiency help us control the intensity of emissions per cubic metre of incoming milk, a benchmark for our industry.

Our commitments

- Reduce the use of fuel by 2% by 2020, by recovering biogas produced in the treatment of effluents.
- Reach a 56% share of biomass in the energy mix by 2022.

98 Kg Co2/m3 milk in FY 2020

Emissions (tonnes of Co2 equivalent)	2019/2020	2018/2019	2017/2018
Scope 1 emissions	140,735	138,625	124,220
Fuel Oil	56,865	53,758	51,230
Natural Gas	-	-	3
Diesel	174	184	158
Firewood	83,697	84,683	72,829
Scope 2 emissions	1,584	1,515	1,456
Electricity consumption	1,584	1,515	1,456
Scope 3 emissions	48,653	44,649	16,586
Mobile combustion – Shipping	12,753	8,705	-
Mobile combustion – Transport of product to Port	19,647	19,647	-
Transport from dairy farm to industrial facilities	16,253	16,297	16,586
Scope 1 emissions per production	98	100	88

↘ Kg. CO2/m³ of milk



Waste Management

Why is it important?

It is one of the key elements for sustainable business development. Our priority is to minimise the generation of waste at source. Where this is no longer possible, we try to classify waste by origin, so that we have a recycling alternative to help cut down on the amount of waste being sent to landfills. Priority is given to waste valorisation, for example, for alternative fuel, recovery of already used solvents by distillation, decontamination and stabilisation of hazardous waste.

What are we doing?



Tetra Pak, nylon and cardboard packaging

Conaprole is working together with Pedernal Deposit on options for recycling Tetra Pak, nylon and cardboard packaging waste. Initially, we intend to include the Villa Rodríguez and Montevideo Industrial Complexes.

Recycling Tetra Top packaging into paper

At the Montevideo Industrial Complex, clean tetra top containers are sorted, baled and sent to Pamer for cardboard recycling.

Sludge as soil amendment

Work is being carried out in conjunction with the School of Agriculture to evaluate the results of the application of the sludge produced at the Villa Rodríguez Industrial Complex wastewater plant as soil amendment. In addition, ashes from the Florida industrial Complex are being used for composting, as well as sludge from the Montevideo and the San Ramón Industrial Complexes.



Last year, Conaprole's production processes generated hazardous and non-hazardous waste, the final disposal was managed as follows:

Waste treatment (tonnes)	2019/2020	2018/2019	2017/2018
Total weight hazardous waste (*)	69	90	124
Recycling	5	11	12
Recovery (including energy recovery)	30	52	83
Incineration (massive combustion)	2	1	1
Municipal sites for final disposal	16	16	19
In situ storage	4	4	7
Hazardous waste landfills	11	7	2
Other treatments	3	-	-

(*) No reuse, composting or animal feed for hazardous waste

Total weight non-hazardous waste (**)	19.683	16.952	17.325,1
Reuse	111	91	4
Recycling	2,073	1,952	1,851
Composting	3,693	2,431	2,134
Recovery (including energy recovery)	110	-	-
Municipal sites for final disposal	2,179	2,090	2,171
Animal feed	10,187	10,388	11,070
Hazardous waste landfills	14	-	95
Other treatments (soil amendment)	1,13	-	-

(**) No incineration or on-site feeding for non-hazardous waste

Our commitment

- Reduction of 40% of the total tonnes of waste sent to landfill for financial year 2022-2023, based on financial year 2016-2017.
- Train employees in waste classification, focusing on managerial staff of the Montevideo and Villa Rodríguez industrial complexes.



10%

Reduction of waste sent to landfill in the last three years.



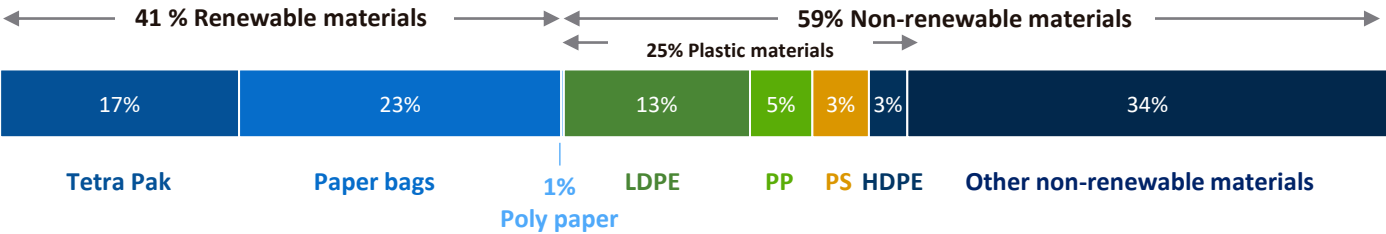
Packaging materials

Why is it important?

Packaging serves several important functions: to contain the food, protect it from chemical and physical deterioration, and provide a practical means of informing consumers about the products. However, post-consumer packaging disposal has a great impact on the environment, so it is key to design packaging that is as eco-friendly as possible and to promote proper post-consumer treatment.

Primary packaging

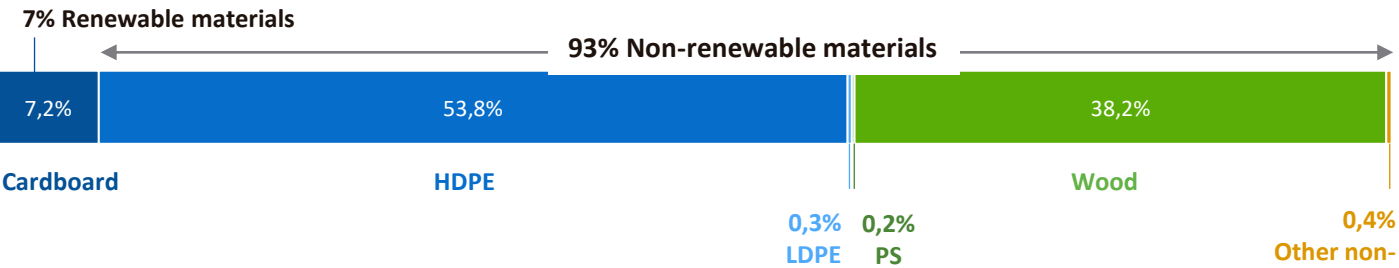
Materials used in containers that are in direct contact with the product. It contains the product and also protects it.



LDPE (Low density polyethylene); PP (Polypropylene); HDPE (High density polyethylene); PS (Polystyrene)

Secondary packaging

Secondary packaging contains one or more primary packages, protecting the product for commercial distribution.



LDPE (Low density polyethylene); PP (Polypropylene); HDPE (High density polyethylene); PS (Polystyrene)

What are we doing?

Campaign to promote the classification of our packaging for recycling after consumption

To promote an improvement in the classification of our packaging for recycling after consumption, we have created various information clips aimed at consumers with tips on how to prepare our packaging, thus facilitating its subsequent recycling. In each one, we specify the type of material (sachets, Tetra Pak cartons, plastic containers, glass and ice cream tubs).



Click the images to see videos

CEMPRE – Business Commitment to Recycling

We are founding partners and currently chairing CEMPRE Uruguay, where we participate and support various projects and initiatives aimed at recycling and responsible waste management.

“DóndeReciclo” App

One of the projects carried out this year, within the framework of CEMPRE's activities, was the development of the "DóndeReciclo" (Where can I recycle?) app, which is a tool to help people classify waste correctly. Conaprole also participated in another initiative on the beaches of Canelones which involved on-site classification using special containers and raising awareness of its importance among people.



Bienvenidos al Complejo Industrial Montevideo

05
We are People

Diversity & Inclusion

Why is it important?

Conaprole is one of the country’s main employers. It has a robust labour relations system based on dialogue, respect for labour rights and people’s welfare.

What are we doing?

Employment opportunities

We are committed to offer equal opportunities in recruitment and employment.

Maternity

At Conaprole, mothers are entitled to a reduction in their working hours, beyond what has been established by law, until the baby turns one year of age. We also have lactation rooms in each industrial facility and in our head office.

Domestic violence leave

A special leave for domestic violence has been established by collective agreement to provide support at such a vulnerable time.

Inclusion policy

For several years, we have had a policy that seeks to summarize the guidelines for inclusion as part of our CSR policies.

2,012
employees



15
years of seniority on
average

Breakdown of the workforce	Under 30		Between 30 and 50		Over50		Total
	Female	Male	Female	Male	Female	Male	
Senior positions	0	0	23	31	8	46	108
Permanent workers	33	122	219	816	41	457	1,688
Interns	10	2	0	0	0	0	12
Temporary workers	14	93	27	70	0	0	204
Total	57	217	269	917	49	503	2,012



Training

Why is it important?

Proper planning and implementation of training is crucial to promote an individual’s vocational, technical and personal development. This way, we give our workers the opportunity to align themselves with the short, medium and long term organisational objectives of the Cooperative, which are consistent with our mission, vision and the values that drive us.

Furthermore, in a world that is increasingly globalised, competitive, with leading-edge technology and equipment, and more demanding in terms of quality, continuous training and skills development is essential to build the expertise of our people.

Hours of training	Female	Male
Senior positions	928	917
Permanent workers	2,092	4,082
Interns	64	32
Temporary workers	195	658
Total	3,279	5,689

Our training efforts aim to improve the technical and attitudinal skills of each member. The Annual Training Plan includes a broad range of educational and training activities, including e-learning formats.



We promote training and development of Conaprole members

9 hours of training on average



3 horas of training on average



What are we doing?

- Annual Training Plan**
The preparation and coordination of the Annual Training Plan, aimed at developing the skills and competencies of our employees, is carried out by the Training and Development Department in conjunction with managers of the various areas and plants.
- Online induction**
Available for new employees, where the aim is to introduce them to the Cooperative by providing them with an overview of the company, its mission, vision and values along with the elements of the Integrated Management System.
- Training in the context of the pandemic**
To adapt to the context of the pandemic, a greater number of e-learning and blended learning courses were carried out.

Occupational Health & Safety

Why is it important?

The prevention of occupational accidents and work-related diseases is a commitment we have taken on, as we believe that it is essential for our workers to be in the best possible health conditions.

What are we doing?

Prevention of occupational accidents

Hazard identification and risk assessment; planned inspections; internal audits; joint OSH committees; training sessions; procurement control according to legal requirements (personal protective equipment, work clothes), investigation and recording of incidents and occupational accidents.

Prevention of work-related diseases

Measurement of hygiene risks, lighting, noise, temperature and physical contaminants. Health screening of all employees; audiometric testing; vision screening; lung function screening; drug testing; COVID-19 prevention; pre-employment medical examination of new employees.

Third-party control

Control of legal requirements; prevention of COVID-19 through protocols; prevention of occupational accidents through safety study and plan; required training; registration of personal protective equipment; workplace inspection.

Management system

Developing, monitoring and updating of instructions, procedures, forms, handbooks and protocols. Participation in internal and external audits. Monitoring of national regulations. Training sessions. Emergency preparedness. Development and monitoring of indicators. Information and communication to industrial facilities.

Workplace safety: a management priority

We strive to promote safe and healthy behaviours for each member through continuous training to all employees. The OHSAS 18001 certification provides a risk management framework to reduce work-related injuries. We focus on those activities that are high-risk such as working at heights, electrical hazards, working with ammonia and tasks in confined spaces.



In each industrial facility we have an automated external defibrillator and employees trained to respond to medical emergencies. We also have emergency response teams in the event of an incident and hold periodic drills to ensure employee training.

Workplace safety index	2020/2019	2019/2018	2018/2017
Number of accidents	84	110	93
Frequency rate	22	27	23
Fatalities	0	0	0

On Wednesday 11 March 2020, a fire broke out in a warehouse in the San Ramón Industrial Complex in Canelones, unfortunately resulting in the loss of an employee's life from an outsourced company. The industrial facility complies with the current regulations in this area and all necessary measures have been taken to safeguard the safety of both our direct and outsourced employees. We renew our commitment to work tirelessly to ensure the safety of all persons involved in Conaprole's activities.

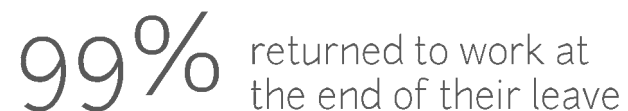
Our commitments:

- Prevent occupational accidents and work-related diseases.
- Decrease the frequency rate.
- Maintain the continuous improvement of the OHS management system.
- Keep risk assessment up to date.
- Continuous training at all levels.

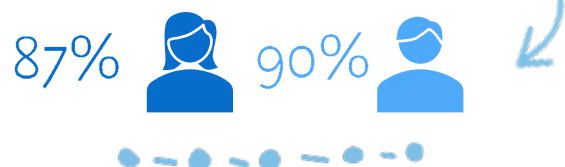
Benefits & Work-life Balance



Maternity/Paternity benefit in the period



Stay in Conaprole 12 months after the end of their leave



Internal communication channels

We continue to develop the Conaprole App, which is available to all employees so that they can access their personal information at all times, update their personal details, view their payslips and learn about any new organisational developments. They will also be able to share various games with their families.

Employee benefits

Through our HR. Department, we manage an employee benefit scheme in several areas such as education, sports and others, with different discount rates.

Support in response to the public health emergency

In the current scenario of a sustained and widespread health emergency, it is crucial to maintain response capacity in all sectors of the organisation. Therefore, a multidisciplinary team provides essential services to the Cooperative's community, offering support to workers and their families. Telephone calls are received from people with queries about contagion and feelings of uncertainty about the current situation. They are listened to, the data is collected and support and follow-up is provided by offering crisis intervention via videoconferencing.



Children's Day

Once again, we celebrate Children's Day as a family, together with the children and grandchildren of employees and cooperative members. This year a fair was held at the Latu facilities, where visitors had the opportunity to bond and have fun, with prizes, surprises and lots of games! 450 adults and children participated. For Conaprole, Children's Day is more than just a celebration; it is a bond that has developed over the years between the families of our employees and farmers.

Year-end gift boxes

Employees are given a box containing company products in recognition of another year of work together.



Births

The birth of an employee's baby is celebrated by giving them a gift, so as to congratulate them on this unique and special moment in their lives.



Social programmes for community development

Social policies are an integral part of Conaprole's management, given that we work to exceed stakeholder expectations, based on the social development of our stakeholders, workers, farmers, community and customers, among others.

Teletón

8 – 9 November

"Desfachatados" (Cheeky) Project

A series of brief interviews with children who use Teletón and wished to cook their favourite recipe using Conaprole products. The objective was to show the inclusion of these children through this proposed cooking activity and how they overcame the difficulties they had encountered in life.



"Leer para Contar, Contar para Leer" project

Period July-November 2019

In support of rural schools in the dairy basin (Florida, San José, Canelones, Colonia and Flores), we are involved in the "Leer para Contar, Contar para Leer" (Read to Tell, Tell to Read) programme, which develops and promotes oral skills among children, as well as providing practical tools for teachers, while focusing on healthy eating. More than 1,800 school children participated, in 80 rural schools with 128 teachers.

School talks about nutrition

Specialised nutritionists visit schools and give talks on nutrition and healthy eating in the school environment to children between 5 and 12 years of age. 9,832 schoolchildren participated in the healthy eating workshops.

Educational visits to industrial facilities

This year 909 children and 300 teachers visited our processing plants as part of our plant tour programme. On these tours children get to know our facilities and the production lines where the different products are manufactured.

"Learning Zone" project

We support the programme developed by the Global Learning Network in partnership with ANEP, which aims to provide a television space for families and the community to increase the visibility of what is happening in public education. The initial focus will be on positioning, aimed at families and the general public.



Expo Prado 2019

4 to 15 September

Conaprole participated in the exhibition with the Conaprole Studio stand, where children composed songs together with freestyle musicians on educational themes such as healthy snacks, dairy consumption, protecting the environment, physical activity, etc. It was awarded the first prize for best "Educational and recreational proposal stand" and was visited by more than 7,000 schoolchildren.

Organisation of Women Entrepreneurs of Uruguay (OMEU)

Conaprole continued its alliance with this organisation, which seeks to generate networking and business opportunities for businesswomen and women entrepreneurs. We took part in OMEU's activities and institutional events which engaged 1,300 women and we supported the following programmes:

- "+Emprendedoras", with the participation of 130 women, seeks to increase the competitiveness of female entrepreneurship.
- "Entre Todas", with the participation of 210 women, seeks to attract, impact and empower women from the interior of the country and vulnerable areas of Montevideo



me!Humanity

We support the project of 4 uruguayan entrepreneurs called me!Humanity, a collection of characters that seeks to promote the features that unite us and make us human beings, as well as to highlight what makes each one of us unique.

me!Humanity delves into our identity. Our personal identity, that is implicit in the "me!", and the social identity in our "Humanity". Our identity is something that evolves throughout our lifetime, so me!Humanity is a multigenerational collection. There are characters for all ages: children, teenagers and adults. me!Humanity aims to show us habits, traditions and social values in order to promote harmony both in social coexistence and in our personal life.

me!Humanity®



Click image to see video



Twelfth Latin American Opera Meeting in Montevideo

We participated in the framework of the agreement with the National Auditorium of Sodre on its 10th Anniversary. 100 renowned opera figures from all over Latin America participated in this event.

Children's Tennis

Conaprole Circuit Sports activity for children from 5 to 12 years of age, in Club Malvín and Club Biguá. 100 children participated in various categories.



Children's day – Little chef Our Kids

100 school children participated in a family bonding day by cooking healthy food. Educational and recreational activity on healthy eating, where participants were able to create healthy recipes with their own hands.



In the past financial year we donated more than 280 thousand product units to more than 350 entities nationwide.



These are organisations that mainly support educational centres, community and soup kitchens in vulnerable contexts.



06

GRI Index Table

About this Report

This is Conaprole's third Sustainability Report following the Global Reporting Initiative (GRI) Standards in its core option, for the period between 1 August 2019 and 31 July 2020.

It was prepared by the Sustainability Committee and required the input and commitment of many people from various sectors of our team. It benefited from the technical advice of Deloitte. All contents were validated by the company's Board of Directors and presented at the Farmers' Assembly.

This report has not been externally verified.

Through its Annual Report, Conaprole maintains a space for communication and dialogue with its stakeholders. Any comments, queries or suggestions may be made through Conaprole's various corporate channels.

General Disclosures

Standard	Description	Chapter	Justificación
Organisational profile			
102-1	Name of the organisation	Chapter 1 We are Conaprole	
102-2	Activities, brands, products and services		
102-3	Location of headquarters		
102-4	Location of operations		
102-5	Ownership and legal form		
102-6	Markets served		
102-7	Scale of the organisation		
102-8	Information on employees and other workers	Chapter 5 We are People	
102-9	Supply chain	Chapter 1 We are Conaprole	
102-10	Significant changes to the organisation and its supply chain		During the reporting period, Plant No. 10, located in San Carlos, Maldonado, shut down its manufacturing operations. Currently and on a temporary basis, it continues to operate as a logistic centre.
102-11	Precautionary principle or approach		- We have tools for the constant monitoring of the different risks that may hinder the management of our business. We carry out a periodic analysis of the treatment of the main risks that affect the company, working with the COSO methodology, under the Internal Control Integrated Framework suggested by the International Institute of Internal Auditors. As a result of the work on the main processes of the business and the continuous audits on specific aspects, a monthly report is submitted to the management.
102-12	External initiatives	Chapter 1 We are Conaprole	
102-13	Membership and associations		
Strategy			
102-14	Statement from senior decision-makers	Letters from the President & CEO	
102-15	Key impacts, risks and opportunities		
Ethics and integrity			
102-16	Values, principles, standards and norms of behaviour	Chapter 1 We are Conaprole	
102-17	Mechanisms for advice and concerns about ethics		

General contents

Standard	Description	Chapter	Justificación
Governance			
102-18	Governance structure	Chapter 1 We are Conaprole	
102-19	Delegating authority		
102-20	Executive-level responsibility for economic, environmental and social topics		
102-21	Consulting stakeholders on economic, environmental and social topics		
102-22	Composition of the highest governance body and its committees		
102-23	Chair of the highest governance body		
102-24	Nominating and selecting highest governance body		
102-25	Conflicts of interest		
102-26	Role of highest governance body in setting purpose, values and strategy		
102-27	Collective knowledge of highest governance body		
102-28	Evaluating the highest governance body's performance		
102-29	Identifying and managing economic, environmental and social impacts		
102-30	Effectiveness of risk management processes		
102-31	Review of economic, environmental and social topics		
102-32	Highest governance body's role in sustainability reporting		
102-33	Communicating critical concerns		
102-34	Nature and total number of critical concerns		
102-35	Remuneration policies		The remuneration of the cooperative's Board of Directors is fixed pursuant to the provisions of Law No. 16,002 of 25 November 1988 and is adjusted – since then – in accordance with the general wage increases granted to the cooperative's staff. The members of the Fiscal Commission are the Audit and Monitoring Committee, who do not receive remuneration for these duties. Senior staff remuneration is set annually by the Management. To define wage adjustments for employees, Conaprole fully follows what has been agreed upon in the wage councils.
102-36	Process for determining remuneration		
102-37	Stakeholders' involvement in remuneration		
102-38	Annual total compensation ratio		- Information not available
102-39	Percentage increase in annual total compensation ratio		- Information not available
Stakeholders engagement			
102-40	List of stakeholder groups	Chapter 1 We are Conaprole	
102-41	Collective bargaining agreements		
102-42	Identifying and selecting stakeholders		
102-43	Approach to stakeholder engagement		
102-44	Key topics and concerns raised		

General Contents

Standard	Description	Chapter	Justification
Reporting practice			
102-45	Entities included in the consolidated financial statements		- Information on this aspect is provided in the financial statements attached to this report.
102-46	Defining report content and topic boundaries	Chapter 1 We are Conaprole	
102-47	List of material topics		
102-48	Restatements of information		- There were no relevant restatements.
102-49	Changes in reporting		- There were no significant changes in the reporting period.
102-50	Reporting period	Appendix 1 GRI Index Table	
102-51	Date of most recent report		
102-52	Reporting cycle		
102-53	Contact point for questions regarding the report		
102-54	Claims for reporting in accordance with the GRI Standards		
102-55	GRI content index		
102-56	External assurance		- This Sustainability Report has not been externally verified.

Contents

Standard	Description	Chapter	Page
Production and financial support to farmers			
103-1	Explanation of the material topic and its boundaries	Chapter 2 We are Farmers	32, 33
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
Social support to farmers			
103-1	Explanation of the material topic and its boundaries	Chapter 2 We are Farmers	34
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
Environmental support to farmers			
103-1	Explanation of the material topic and its boundaries	Chapter 2 We are Farmers	35, 36
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
Healthy and safe product			
103-1	Explanation of the material topic and its boundaries	Chapter 3 We are Nutrition and Health	38
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
Innovation and new product development			
103-1	Explanation of the material topic and its boundaries	Chapter 3 We are Nutrition and Health	39, 40
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
Nutrition and healthy lifestyle promotion			
103-1	Explanation of the material topic and its boundaries	Chapter 3 We are Nutrition and Health	41, 42
103-2	The management approach and its components		
103-3	Evaluation of the management approach		

Standard	Description	Chapter	Page
Water management			
103-1	Explanation of the material topic and its boundaries	Chapter 4 We are Environment	44, 45
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
303-1	Water withdrawal by source		
303-2	Water source significantly affected by withdrawal of water		
303-3	Water recycled and reused		
306-1	Water discharge by quality and destination		
Energy and emissions			
103-1	Explanation of the material topic and its boundaries	Chapter 4 We are Environment	46, 47, 48
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
302-1	Energy consumption within the organisation		
302-2	Energy consumption outside of the organisation		
302-3	Energy intensity		
302-4	Reduction of energy consumption		
305-1	Direct (Scope 1) GHG emissions		
305-2	Energy indirect (Scope 2) GHG emissions		
305-3	Other indirect (Scope 3) GHG emissions		
305-4	GHG emissions intensity		
305-5	Reduction of GHG emissions		
Waste management			
103-1	Explanation of the material topic and its boundaries	Chapter 4 We are Environment	49, 50
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
306-2	Waste by type and disposal method		
Packing materials			
103-1	Explanation of the material topic and its boundaries	Chapter 4 We are Environment	51
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
301-1	Materials used by weight or volume		
301-2	Recycled input materials used		
301-3	Reclaimed products and their packaging materials		

Contents

Standard	Description	Chapter	Page
Diversity and inclusion			
103-1	Explanation of the material topic and its boundaries	Chapter 5 We are people	53
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
405-1	Diversity of governance bodies and employee		
Employee training			
103-1	Explanation of the material topic and its boundaries	Chapter 5 We are people	54
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
404-1	Average hours of training per year per employee		
404-2	Programs for upgrading employee skills and transition assistance programs		
Occupational health and safety			
103-1	Explanation of the material topic and its boundaries	Chapter 5 We are people	55
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
403-1	Workers representation in formal joint management-worker health and safety committees		
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities or occupational diseases by región and gender.		
Benefits and work-life balance			
103-1	Explanation of the material topic and its boundaries	Chapter 5 We are people	56
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
401-3	Parental leave		
Social programs for community development			
103-1	Explanation of the material topic and its boundaries	Chapter 5 We are people	57, 58, 59
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
413-1	Operations with local community engagement, impact assessments and development programs		
413-2	Operations with significant actual and potential negative impacts on local communities		





2020 ANNUAL REPORT

